



March 3, 2020

Via ECF

The Hon. Joseph A. Dickson, U.S.M.J.
United States District Court for the District of New Jersey
50 Walnut Street, MLK 2D
Newark, NJ 07101

Re: *Thor 725 8th Avenue LLC v. Shanthioa Goonetilleke, et al.*,
17-cv-318 (MCA)(JAD)

Dear Judge Dickson:

This status letter is written on behalf of all parties in compliance with this Court's February 28, 2020 order.

On December 18, 2015, plaintiff-landlord, owner of a commercial property in Manhattan, obtained a \$2.5 million money judgment against defendants Martin and Marie Goonetilleke in the SDNY. The case in this court is a fraudulent conveyance action, resulting from the judgment debtors' sale of an asset (the family residence) to their daughters. On October 17, 2019, Judge Madeline Cox Arleo granted plaintiff's motion for summary judgment, and determined that the transfer was indeed a fraudulent conveyance.

It is the defendant-daughters' position that, upon an execution sale of the property, they are entitled to share in a portion of the sales proceeds in respect of certain carrying costs they incurred while they owned the house. The daughters have made a settlement demand in that regard. They also seek a judgment against their parents on their cross-claims, and have made a settlement proposal in that regard as well.

As a result of a foreclosure action against the plaintiff brought by its lender, plaintiff is unfortunately not in a position to respond to the daughters' settlement proposal at this juncture. Although plaintiff is still in possession of the Manhattan property, the loan default precludes plaintiff from settling this action without the approval of its lender. Accordingly, plaintiff respectfully requests a 30-day period within which to consult with the lender and report back to the defendants and the Court.

All parties consent to the foregoing request.

Respectfully,
s/Joseph Lee Matalon
Joseph Lee Matalon